



275 Madison Avenue, Third Floor
New York, NY 10016
December 16, 2008

Shannon Krause, PR Coordinator
skrause@masseyknakal.com
www.masseyknakal.com

Does LES equal more? Much more.

By Philip Huang and Michael DeCheser

Statistically the most diverse neighborhood in Manhattan¹, it's no wonder the Lower East Side in Manhattan attracts everyone from struggling musicians to wealthy celebrities. The age old destination for many newly arrived immigrants has evolved to become the destination of choice for those looking for culture, art, music, fine dining and nightlife. The influx of development has struck fear into longtime residents that the neighborhood character will be lost, but that is most certainly not the case. LES staples such as Katz's Deli, Russ & Daughters, Guss' Pickles and other establishments continue to thrive.

Instead, the LES has lost the multitudes of drug dealers and crime that plagued the area in the 80's and 90's, while retaining its distinct melting pot of culture. Police crackdowns such as Operation Pressure Point in 1984 and those undertaken by Mayor Giuliani in the 90's, cleaned up what was once the most dangerous part of Manhattan. According to NYPD statistics, violent crime has dropped more than 75% from 1990 to 2007. Desolate streets a decade ago are now overflowing with people crowding the sidewalks at all times of day. Although new hotels and developments such as BLUE, the Ludlow, the Hotel on Rivington and Thompson LES seem to signal that a plethora of skyscrapers will soon dominate the skyline, these are the exceptions and not the norm of the LES. Thanks to a very proactive community and its efforts in spearheading a rezoning, these buildings will remain limited in number.

Protecting the area is the East Village/Lower East Side rezoning which was recently approved on November 19th. Out of context buildings such as the Hotel on Rivington and BLUE that have sprouted up over the past few years will no longer be possible under the modified zoning. The plan retains opportunities for housing development and incentives for affordable housing along wide streets such as East Houston and Delancey, while preventing out-of-scale development on smaller streets such as Rivington and Stanton. It most importantly adds street walls and fixed limits to building heights. 75' to 80' on most streets, and 120' on Delancey, East Houston, and parts of



275 Madison Avenue, Third Floor
New York, NY 10016
December 16, 2008

Shannon Krause, PR Coordinator
skrause@masseyknakal.com
www.masseyknakal.com

Chrystie Street, 2nd Avenue, Pitt Street, and Avenue D. More information can be found at the Department of City Planning website at <http://www.nyc.gov/html/dcp/html/evles/index.shtml>.

The decade-long renaissance of the neighborhood has been a blessing for long time property owners in the area. Between 2005 and 2006, prices for large multifamily homes (5+ units) rose by 42%, far outpacing the next highest increase of 25% in Washington Heights in Northern Manhattan.ⁱⁱ It's hard to believe that just a few years ago the city was practically giving away buildings in the LES, and now the values of some of those buildings have risen tenfold. Numerous articles in different publications are all extolling the trendy LES. The New York Times recently covered the large migration of art galleries to the neighborhood, where more than 50 galleries have put down roots.ⁱⁱⁱ Creativity abounds at places like ABC No Rio and the Clemente Soto Velez Cultural Center which are dedicated to the production of visual and performing arts. Long time live music venues such as Mercury Lounge, Bowery Ballroom, Arlene's Grocery and Pianos regularly play host to both established as well as up and coming bands. Food options are perhaps the most varied in all of Manhattan, with Cambodian, Mexican, Chinese, Japanese, American, Mediterranean, Spanish, Italian, French, African, and Fusion within blocks of each other. The long section of the neighborhood along the Bowery is in the midst of some of the biggest changes in years. What was once mostly restaurant supply stores have quickly become a major retail corridor spurred on by the opening of the New Museum last December. Asking rents for retail spaces near the museum range from \$100 to \$135 per square foot, while retail space on East Houston can be found for as high as \$200 per square foot.^{iv}

It is clear that the Lower East Side has now more than ever, established itself as a community with something for everyone. The large variety of cuisine, new residential developments, abundance of live music venues, hip boutique clothing stores and influx of art galleries along with its historical background are making this the most popular neighborhood in Manhattan. The gritty character of the LES and the gentrification taking place combine to offer an unparalleled lifestyle where LES has become much much more.

ⁱ *State of New York City's Housing and Neighborhoods 2007* by the Furman Center for Real Estate & Urban Policy

ⁱⁱ *State of New York City's Housing and Neighborhoods 2007* by the Furman Center for Real Estate & Urban Policy

ⁱⁱⁱ "From Pickles to Paintings in New York's Lower East Side," *New York Times*, 22 June 2008

^{iv} "Pushcarts Give Way to High-End, High-Rent Boutiques" *New York Times*, 30 April 2008